

SENATE BILL REPORT

SB 5525

As Passed Senate, March 6, 2007

Title: An act relating to medical insurance for city officials.

Brief Description: Adding city officials to the list of public agencies eligible for medical insurance coverage outside of compensation.

Sponsors: Senators Oemig, Swecker and Regala.

Brief History:

Committee Activity: Government Operations & Elections: 2/12/07 [DP, w/oRec].
Passed Senate: 3/06/07, 41-6.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; Kline and Swecker.

Minority Report: That it be referred without recommendation.

Signed by Senator Benton.

Staff: Sharon Swanson (786-7447)

Background: Article II, Section 25, of the State Constitution, prohibits any increase or reduction in the "compensation" paid to any elected public official during his or her term in office.

For public employees and specified elected officials, the cost incurred by a public entity in providing employment-related medical insurance is not deemed to be "additional compensation" to such officials or employees. This provision does not currently apply to the elected officials of cities and towns, but does apply to the following categories of elected officials:

- county officials;
- fire protection district commissioners;
- port district commissioners;
- public utility district commissioners;
- water-sewer district commissioners;
- public hospital district commissioners; and
- irrigation district commissioners.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: The cost of medical insurance provided to elected officials in specified categories of municipalities is not deemed to be "additional compensation" to such officials.

The municipal officials subject to the provisions of the act are those holding office in the following categories of municipality:

- cities with a commission form of government;
- first class cities;
- second class cities;
- towns;
- cities with a mayor-council plan of government; and
- cities with a council-manager plan of government.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill just adds cities to the list of public employees who are provided medical insurance without the cost being considered additional compensation. It is a good bill that will satisfy the concerns raised by the State Auditor.

Persons Testifying: PRO: Senator Oemig, prime sponsor; Victoria Lincoln, Association of Washington Cities.